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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/740,930	12/21/2000	Lawrence M. Ausubel	21736/0011	7304

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EXAMINER

POINVIL, FRANTZY

ART UNIT	PAPER NUMBER
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3628

DATE MAILED: 02/02/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/740,930

Applicant(s)

AUSUBEL ET AL.

Examiner

Frantzy Poinvil

Art Unit

3628

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 23 December 2003.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-32 is/are pending in the application.
- 4a) Of the above claim(s) 27-32 is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-26 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. §§ 119 and 120

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
* See the attached detailed Office action for a list of the certified copies not received.
- 13) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application) since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.
a) ☐ The translation of the foreign language provisional application has been received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121 since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). _____
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____ 6) ☐ Other: _____

DETAILED ACTION

Specification

1. The Examiner acknowledges receipt of the Abstract page (Paper no. 6).

Response to the Election/Restriction

2. In response to the Election/Restrictions requirement, applicant has provisionally elected without traverse Group I, claims 1-26 for continued examination.

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-3, 5-6 and 9-10 are rejected under 35 U.S.C. 103(a) as being unpatentable over Fisher et al (US Patent No. 5,835,896) in view of Fujisaki (US Patent No. 4,789,928) and Walker et al (US Patent No. 6,415,262).

As per claims 1, 9 and 10, Fisher et al discuss a computer implemented auction system comprising an auctioneer system coupling to at least two remote user systems. The user system is a general purpose computer comprising means for receiving

messages from the auctioneer's system and for displaying messages; means for receiving bid related information from users; means for transmitting bid information to the auctioneer's system. See the entire document.

The auctioneer's system including means for generating and transmitting messages to user system, means for receiving bid information from user systems. See the entire document.

Repeating the steps of inputting bids and determining at the computer based on the bids whether the auction should continue is not explicitly stated in the Fisher et al system. Fujisaki discloses an auction information transmission processing system. The system comprises a host terminal and a plurality of dealer terminals that submit bids to the host terminal. Note the abstract and figure 1 of Fujisaki. Fujisaki further discloses a decision means responsive to the bid information received from the user systems for determining whether an auction should continue or terminate, the decision means including means to initiate the generation of a non-final message to at least one user system in response to a determination to continue an auction. Note column 7, lines 24-27, 53-51; column 10, lines 32-59; column 13, lines 21-27 of Fujisaki. As in most auctions systems, winning bids or objects are assigned to a winner. It would have been obvious to one of ordinary skill in the art at the time of the invention to incorporate the teachings of Fujisaki into the Fisher et al system in order to determine when to end the auction so as to determine a winner of a particular object.

The combination of Fisher et al and Fujisaki does not explicitly teach assigning a complementary second object to a successful bidder for a first object based on the bids

for the first objects. Systems for awarding or assigning a complementary second object to a successful purchaser of a first object and based on purchased conditions of the first objects are well known in the art. Applicant is directed to the teachings of Walker et al. at column 13, lines 50-65 and column 7, lines 55-67.

It would have been obvious to one of ordinary skill in the art at the time the invention was made to incorporate the teachings of Walker et al into the combination of Fisher et al and Fujisaki in order to assign a complementary second object to a successful bidder of first objects based on the bids for the first objects. The motivation would have been to increase the sale of the second objects and or to increase customer's loyalty to the auction system.

As per claim 2, Walker et al teach assigning the second objects contemporaneous to the step of assigning the first objects. See figures 15B and 16 of Walker et al. The motivation for so doing would have been to automatically provide such an offer to the winner because one object is usually used or work with a second object.

As per claim 3, Walker et al teach the prices for second objects are based on the prices of first objects as reflected in the successful bids. See column 8, lines 21-35, column 9, lines 24-28, column 12, lines 50-67 and column 14, lines 35-45.

As per claim 5, see the teachings of Fujisaki discussing terminating an auction in the event no new bids were submitted and wherein step C) also transmits new bidding information to bidders in the event the auction is terminated.

As per claim 6, one or more bidders may win an object in the combination of Fisher et al, Fujisaki and Walker et al.

As per claims 2, 3 5 and 6, the motivation to combine is the same as applied to claim 1 above.

4. Claims 4 and 7-8 are rejected under 35 U.S.C. 103(a) as being unpatentable over Fisher et al. (US Patent No. 5,835,896) in view of Fujisaki (US Patent No. 4,789,928) and Walker et al (US Patent No. 6,415,262) as applied to claim 1 above and in view of and Fritts.

The combined teachings of Fisher et al, Fujisaki and Walker et al are discussed above. As per claim 4, the combined teachings of Fisher et al, Fujisaki and Walker et al do not explicitly state the first objects are spectrum licenses for communication spectrum and second objects are related clearing rights for television transmission in the same or adjacent spectrum. The Examiner asserts that these kinds of data do not affect the functionality of the system of the combination of Fisher et al, Fujisaki and Walker et al as these are merely different types of data that do not change the result of the combined system. These are different intended types of "items", "things" or

"objects" that would have been obvious to the skilled artisan when gleaning from the combination of Fisher et al, Fujisaki and Walker et al. Applicant is directed also to column 14, lines 43-46 of Fujisaki where it is indicated that the system "can be applied to the auctioning of various articles". Furthermore, granting of a first license that require another license is well known in the art of communication that one license must work in complement with another license. See the teachings of Brian Fritts at page 13 of the article entitled "Private property, economic efficiency and spectrum policy in the wake of the C block auction". Having complementary objects as taught by Fritts in the combination of Fisher et al, Fujisaki and Walker et al would have been obvious to one of ordinary skill in the art in order to increase the efficiency of auction allocation and to allow an entity to enter a package bid or a group of licenses.

The teachings of Fisher et al, Fujisaki and Walker are discussed above. As per claim 7, Walker et al teach informing the user of first objects and of secondary or complementary objects. Note column 7, lines 55-67 and column 13, lines 50-65. Walker et al also disclose the complementary objects is based on the purchased condition of the first objects. Fritts discloses informing users of complementary auctions and a relation of the first and second objects or licenses. Note page 13 of the reference. Walker et al also disclose selecting a relation between the price of a second object and the price of a second object. See column 14, lines 46-65 and column 12, lines 50-67 of Walker et al. The motivation to combine Fisher et al, Fujisaki, Walker et

al and Fritts would have been to increase the efficiency of auction allocation and to allow an entity to enter a package bid or a group of licenses.

As per claim 8, participating bidders in the combination of Fisher et al, Fujisaki, Walker et al and Fritts are bidders who enter bids at least the selected relation or who accede to the selected relation.

5. Claims 11-26 are rejected under 35 U.S.C. 103(a) as being unpatentable over Fisher et al. (US Patent No. 5,835,896) in view of Fujisaki (US Patent No. 4,789,928), Walker et al (US Patent No. 6,415,262) and Fritts.

As per claim 11, claim 11 contains limitations addressed in claims 1 and 4 and therefore is rejected under a similar rationale.

As per claim 12, note the teachings of Fritts as being directed to granting of clearing rights.

As per claims 13 and 14, the combination of Fisher et al, Fujisaki, Walker et al and Fritts involves performing the functions using a computer.

As per claim 15, applicant is directed to the rejection of claim 7 above. Events causing to terminate an auction are discussed by Fujisaki. Furthermore, Fritts teaches

that the winner of the auction has the highest bid related to the clearing rights and communications licenses.

As per claims 16 and 17, the functions in the combination of Fisher et al, Fujisaki, Walker et al and Fritts are performed by a computer or with the aid of a computer.

As per claim 18, claim 18 is directed to a similar limitation addressed in claims 1 and 4 and therefore is treated similarly with respect to claims 1 and 4. Specifically, Fisher et al and Fujisaki clearly teach the steps of initiating and inputting. Steps of inputting bids for second objects from bidder where an acceptable bid for a second object is constrained by a bid for a complementary first object is not explicitly taught by Fisher et al and Fujisaki. Walker et al disclose presenting complementary objects to a purchaser that is based on constraints of a purchase of a first item or object. Fritts disclose conducting auctions for one license and other associated licenses. Steps of determining whether an auction should continue are discussed by Fujisaki. It would have been obvious to one of ordinary skill in the art at the time the invention was made to combine the teachings of Fisher et al, Fujisaki, Walker et al and Fritts in order to increase the efficiency of auction allocation and to allow an entity to enter a package bid or a group of licenses.

As per claim 19, the objects of concern in Fritts are communication licenses and clearing rights related to a communication license.

As per claim 20, an auction is usually terminated when no new acceptable bids are received as such would have been obvious in the combination of Fisher et al, Fujisaki, Walker et al and Fritts in order to determine when to end the auction.

As per claim 21, both Fujisaki and Fritts teach an acceptable bid is a bid of a greater price than a preexisting bid.

As per claim 22, applicant is directed to the rejection of claim 18 above.

As per claim 23, note the rejection of claim 7 above.

As per claim 24, the objects of concern in Fritts are communication licenses and clearing rights related to a communication license granted to a successful participant bidder.

As per claim 25, Fritts discloses granting licenses for communication spectrum. Fritts also discloses having a package of licenses. Manipulating the clearing agreements to create one or more separate clearing rights, each of the clearing rights aligning in location on the electromagnetic spectrum and in geographic location with the scope of one of the communications licenses and storing these results so that the

clearing rights and the associated clearing agreements can be correlated are taught by Fritts on pages 11-13.

As per claim 26, applicant is directed to the rejection of claim 7 above.

Claim Rejections - 35 USC § 101

6. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 22-26 are rejected under 35 USC 101 because it is directed to non-statutory subject matter, specifically as directed to an abstract idea.

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts. In the present case, claims 22-26 do not recite

any structure or functionality to suggest that a computer performs the recited claims.

Thus, claims 22-26 are rejected as being directed to non-statutory subject matter.

Conclusion

1. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Frantzy Poinvil whose telephone number is (703) 305-9779. The examiner can normally be reached on Monday-Thursday 7:00AM-5:30PM.

The fax phone numbers for the organization where this application or proceeding is assigned are (703) 872-9326 for regular communications and (703) 872-9327 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.

FP
Jan 15 2004
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January 15, 2004